

FISCAL NOTE

Bill #: HB0124

Title: User charge to fund Law Enforcement Academy

Primary Sponsor: Olson, A

Status: As Amended in House Committee

Sponsor signature _____ Date _____

Chuck Swysgood, Budget Director _____ Date _____

Fiscal Summary

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
Expenditures:		
General Fund	(\$1,103,400)	(\$1,106,952)
State Special Revenue	\$1,103,400	\$1,106,952
Revenue:		
State Special Revenue	\$1,278,122	\$1,278,122
Net Impact on General Fund Balance:	(\$1,103,400)	(\$1,106,952)

- | | |
|--|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input checked="" type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input checked="" type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

1. The Montana Law Enforcement Academy (MLEA) within the Department of Justice is primarily funded with general fund.
2. HB 124 creates a state special revenue account that will replace the general fund appropriation for MLEA in the amount of \$1,103,400 in FY 2004 and \$1,106,952 in FY 2005. The recommended Executive Budget already includes this fund switch and the general fund balance sheet was adjusted for the savings.
3. In 2001 there were 228,236 cases filed in courts of limited jurisdiction, excluding civil cases and small claims cases.
4. Of these cases a total of \$641,246 was collected for a \$5 court surcharge for the Court Information Technology. This represents a 56 percent ($\$641,246 / \$5 / 228,236$) collection rate, which will be used for this fiscal note.
5. Assuming this surcharge is imposed on all required individuals, a total of \$1,278,122 ($228,236 \times \$10 \times .56$) will be collected, forwarded to the Department of Revenue, and deposited into the MLEA state special revenue account.
6. The Department of Justice will borrow from other funds within the agency until the revenues are collected in the early stages of the fund switch.

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FISCAL IMPACT:

Department of Justice

Program 18 – Division of Criminal Investigation

	<u>FY 2004</u> <u>Difference</u>	<u>FY 2005</u> <u>Difference</u>
<u>Funding of Expenditures:</u>		
General Fund (01)	(\$1,103,400)	(\$1,106,952)
State Special Revenue (02)	\$1,103,400	\$1,106,952
<u>Revenues:</u>		
State Special Revenue (02)	\$1,278,122	\$1,278,122
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	(\$1,103,400)	(\$1,106,952)
State Special Revenue (02)	\$174,722	\$171,170

DEDICATION OF REVENUE:

a) Are there persons or entities that benefit from this dedicated revenue that do not pay? (please explain)

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Yes, this revenue will be used to train Montana law enforcement officers. All Montanans benefit from having properly trained law enforcement officers.

- b) What special information or other advantages exist as a result of using a state special revenue fund that could not be obtained if the revenue were allocated to the general fund?

None.

- c) Is the source of revenue relevant to current use of the funds and adequate to fund the program activity that is intended? ☒ Yes ☐ No (if no, explain)

- d) Does the need for this state special revenue provision still exist? ☒ Yes ☐ No (Explain)

- e) Does the dedicated revenue affect the legislature's ability to scrutinize budgets, control expenditures, or establish priorities for state spending? (Please Explain)

No.

- f) Does the dedicated revenue fulfill a continuing, legislatively recognized need? (Please Explain)

Yes.

- g) How does the dedicated revenue provision result in accounting/auditing efficiencies or inefficiencies in your agency? (Please Explain. Also, if the program/activity were general funded, could you adequately account for the program/activity?)

The source of revenue does not impact the accounting for this program.